



Wayne A. Smith
President & CEO

March 5, 2019

State Employee Benefits Committee (SEBC)
Attn: Faith Rentz, Director, Statewide Benefits Office
97 Commerce Way, Suite 201
Dover, Delaware 19904

*Alfred I. duPont Hospital
for Children*
Roy Proujansky, MD,
Chief Executive of
Nemours Delaware
Valley Operations

Bayhealth
Terry Murphy,
President & CEO

Beebe Healthcare
Jeffrey M. Fried
President & CEO

*Christiana Care Health
System*
Janice E. Nevin, M.D.
MPH
President & CEO

Nanticoke Health Services
Steven A. Rose, RN, MN
President & CEO

Saint Francis Healthcare
Daniel Sinnott
President & CEO

*Delaware Healthcare
Association*
Wayne A. Smith
President & CEO

Dear Members of the SEBC,

As you know, health care affordability continues to be an important issue in Delaware and across the nation. Hospitals are working hard to address these concerns by delivering health care that improves patient experience, outcomes and is based on **value**.

Since 2012, the number of hospitals participating in value-based alternative payment models have increased steadily. Likewise, Delaware's hospitals and health systems are on the forefront of creating new value-based payment systems for Delawareans. In partnership with legislators and the Administration last year, Delaware hospitals have committed to the goal of having 60% of patients under value-based contracts by 2021. A value-based system would better ensure patient access to high quality health care, support a robust primary care system, and focus efforts on population health.

For more on hospitals efforts to address affordability and value, please see enclosed ***The Value Initiative*** from the American Hospital Association. We will continue to keep you informed on our efforts to provide all Delawareans with accessible, high quality, and financially sustainable health care.

Sincerely,

A handwritten signature in black ink that reads 'Wayne A. Smith'.

Wayne A. Smith